utilising his initiative, genius and capacity in trade. Government had no hesitation in coming to the conclusion that he would be a great success in that trade. A loan has been granted to him and he has executed an agreement. He will now be floating a public company for the purpose of starting wood works in Travancore. The manufacture of plywood furniture with artistic designs will be done by him. He is one of the foremost people in the line in India and his capacity has been borne testimony to by the highest in the country. In all these things, if enterprise, initiative and inventive genius will be available in local people who start businesses, Government will not only be anxious to encourage them but will even finance them to some extent. If on account of deficiencies the business ends in loss, that will be made up by Government. There is no hesitation on the part of Government to help such enterprising men in Travancore. Paper and paper pulp, rubber goods including motor tyres, plywood, plastics, rayon and ceramic ware are some of the special industries of the State on which Government laid great emphasis and for which the State possesses great natural advantages and holds a key position. Notwithstanding the languishment in trade, Government will be the first to encourage the industries started in Travancore by Travancoreans.

These are some of the main items of the industries and the policy of Government. We are as anxious as any one that the capital of Travancore should be vested in Travancore industries. We are as anxious as any one that all these industries should be worked by Travancoreans for the benefit primarily of Travancore and secondarily of India. But this result cannot be achieved at once. Trained personnel have to be brought into existence, research has to be undertaken, co-operation of industrial and business experts has to be secured. Great industries may have and will have to be started with outside capital and outside assistance but every step will be taken from the beginning to turn them into Travancore undertakings ultimately. In these matters we should take long range views and work not for today but tomorrow and the day after. Time is precious. Whether in industry or agriculture, unless we wake up soon and take rapid strides at the proper time, and adopt new methods of production, other countries, other provinces, other units will out-strip us. That is why Government are anxious to start new industries in the State, all the time keeping in the forefront of their thoughts the interests of Travancoreans. It may be necessary to utilise, provisionally, outside capital and outside personnel and enterprise but that does not mean and should not be interpreted as indicating that Government are unmindful of the interests of the people. There can be no greater lover of his country and protagonist of its progress than His Highness the Maharaja and His Highness's Government will take whatever steps are necessary and desirable for the purpose of achieving the desired result of putting Travancore as soon as may be on the industrial map of India.

The House adjourned for lunch at 2-12 P. M. and reassembled at 3-12 P. M.

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NEW MEMBER.

Rajyasevanirata Dr. M. K. Gopala Pillai (*Director of Public Health*) took the oath and signed the rolls.

PRESIDENT: I told the honourable members of this House that I would say something about the constitutional position of states, but I do not propose to say anything at great length on the topic. I have directed that two papers be placed on the table. One paper represents the opinion expressed by me both personally and on behalf of this Government to the British Commonwealth Conference to which I was invited as a member. I could not attend the British Commonwealth Conference because of the anticipated visit of His Excellency the Viceroy. I have however forwarded to London my memorandum on the future of the British Commonwealth as that impinges on the position of India in relation to the Commonwealth. I consider that this paper should be made available to the members of this House.

The other document that will be placed in the hands of members is with regard to the Treaty Rights of Indian States. That was a speech delivered by me at the inaugural meeting of the Bombay branch of the Indian Council of World Affairs, which indicates the policy which this Government will pursue in relation to the future of Indian States. Summarising the paper it comes to this. The Travancore Government will be glad to join with other units on a proper basis so as to bring about a constitution in which a central Government will function effectively to conduct and harmonise the activities of the units. Such a central authority will be the directing force of the whole of the Indian Government. This Government is wholly against any partitioning of India from any point of view, into various parts, big or small. This Government have also expressed the view that Indian States should maintain administrative, economic, judicial and other standards as high as in any Province. I have in fact taken the line that constituting a survival of ancient Indian sovereignty, it should be possible for Indian States to be governed more efficiently than Provinces. Finally with regard to the future constitutional development within the State, it has been made clear that this Government have not committed themselves to the specific type represented by responsible Government in the Westminister or British Parliamentary sense. I also wish to make it clear that until the question of the administrative and political relations between the British Government and British India are completely settled, the future of the constitution of Indian States cannot be usefully dealt with, inasmuch as the question of the survival or non-survival of paramountcy as well as the question of the mutual relationship between British India and Indian India and between Indian India and the British Government will have to be defined beforehand. Obviously, there cannot be dual paramountcy. Paramountcy in fact cannot coexist with any system of Federation or with the Cripps scheme. The constitution of the Indian States can be effectively and logically framed only after their status vis-a-vis the other units and the centre is decided upon.

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